



CENTERS FOR INDEPENDENT LIVING
COMPLIANCE REVIEW REPORT

Ability Resources, Inc.

Grant Award Number: H132A930056

REVIEW DATES: August 13 – 16, 2012

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REHABILITATION SERVICES ADMINISTRATION

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I. PURPOSE OF THE ON-SITE MONITORING REVIEW

Sections 706(c) and 722 of the *Rehabilitation Act of 1973, as amended* (Rehabilitation Act) mandate that the Rehabilitation Services Administration (RSA) conduct on-site reviews of centers for independent living (CILs) funded under Title VII, Part C, Section 722. The objectives of on-site reviews are to:

- assess compliance with the requirements of Section 725(b) and (c)(3) of the Rehabilitation Act and 34 CFR 366.60-366.63;
- study program operations, organizational structure and administration of the CIL under Section 725(c)(1), (2), (5) and (6) of the Rehabilitation Act and 34 CFR 366.2 and 366.50;
- review documentation sufficient to verify the accuracy of the information submitted in the most recent 704 Annual Performance Report;
- verify that the CIL is managed in accordance with federal requirements in the Education Department General Administrative Regulations (EDGAR);
- assess CIL conformance with its work plan, developed in accordance with Section 725(c)(4) of the Rehabilitation Act and 34 CFR 366.50(d)(2), conditions of the CIL's approved application, and consistency with the State Plan for Independent Living (SPIL);
- identify areas of suggested or necessary improvements in the CIL's programmatic and fiscal operation and provide technical assistance resources available on the local, state, regional and national level;
- identify areas of exemplary work, projects and coordination efforts and make this information available to the larger CIL community; and
- provide an opportunity to share information with experienced nonfederal individuals involved in the operations of CILs and make available technical assistance to enhance CIL operations or to minimize or to eliminate problem areas.

II. METHODOLOGY

The on-site monitoring review of Ability Resource, Inc. (ARCIL), located in Tulsa, Oklahoma, was conducted on August 13 through August 16, 2012. The program review covered the independent living (IL) operations and activities, and the financial review examined ARCIL's participation in Title VII, Part C, of the Rehabilitation Act. RSA used the On-Site Review Guide (ORG) to conduct the on-site review. During the review, interviews were conducted with the centers' management, staff, consumers and members of the board of directors. In addition to the interviews and meetings, program and financial documents were reviewed in accordance with the protocol required by RSA's ORG, including written policies and procedures, a sample of consumer service records (CSRs), and other documents that are used to verify compliance with standards and indicators. CSRs were selected for review on a random basis. RSA conducted an exit conference at the conclusion of the review to provide feedback on initial impressions from the review.

The RSA review team included the following individuals:

- Sean Barrett, RSA program specialist; and

- Burt Danovitz, Executive Director, Resource Center for Independent Living, non-federal reviewer.

III. MISSION AND DESCRIPTION

ARCIL's mission is: "to assist people with disabilities in attaining and maintaining their personal independence. One way this can be achieved is in the creation of an environment in which people with disabilities can exercise their rights to control and direct their own lives". ARCIL has served Tulsa County since 1982.

ARCIL provides a number of programs, including accessible housing, medical equipment/supplies, emergency assistance, and application assistance for various public-benefit programs. In FY 2011, ARCIL served 290 consumers, 53 of which were closed for a variety of reasons; 151 of the 290 were 60 years of age or older. As could typically be expected with this large population of individuals who are 60 years of age or older, the most common disability categories of consumers were physical and multiple. ARCIL serves a diverse consumer base, with 89 of the 290 consumers who were Black/African American (72) and American Indian/Alaskan Native (15).

ARCIL's services and goals are predominately in the area of Nursing Home Transition, with Personal Assistant Services being the most requested and received services. Advocacy, Assistive Technology, Preventative, and Transportation services were also commonly provided services. Interviews with staff and board indicated that that these other services are likely provided as a result of Nursing Home Transition efforts.

ARCIL has been successful in growing and diversifying funding. In FY 2011 Title VII, Part C funding accounted for 20 percent of ARCIL's total funding. ARCIL was particularly successful in acquiring fee-for-service (\$708,753) and Foundation/Corporation or Trust Grants. ARCIL has reported significant income in total of eight categories.

IV. OBSERVATIONS AND RECOMMENDATIONS

During its review activities, RSA identified the observation below and made recommendations that ARCIL may consider to improve its overall operations and IL service delivery to consumers with significant disabilities.

1. Peer Groups

Observation: ARCIL does not maintain any formal peer groups. Interviews with consumers indicated that although there has been extensive interaction between consumers, this has occurred naturally through seeing each other in the office and at other local events. Staff and consumer spoke independently of an external agency's recreation program where they receive what appear to be peer group type interactions.

During RSA's interview with consumers, it became readily apparent that an issue-focused peer group would be of interest and value to consumers. In conducting the consumer group interviews, RSA learned that transportation was an issue of particular interest. When discussing

the issue, consumers routinely answered each other's questions and occasionally provided resources to resolve the issue.

Recommendation: RSA recommends that ARCIL:

- 1.1 form a structured peer group within the center; and
- 1.2 survey consumers for topics, although it appears likely that a group based around transportation issues would be well received.

ARCIL Response: We are contacting 5 of the downtown housing sites to reserve space to conduct focus groups with the residents to identify needs, such as structured peer groups. We will hold these focus groups starting in February. Our local area agency on aging will collaborate with Ability Resources in facilitating the focus groups.

2. Liability Insurance

Observation: A review of ARCIL's liability insurance indicates that coverage is sufficient to meet legal requirements, but it is inadequate due to the annual budget of the agency. Discussions with the Board chair and Executive Director indicated that a significant amount of time has elapsed since coverage amounts and insurance requirements were reviewed.

Recommendation: RSA recommends that ARCIL review all current levels of insurance coverage and determine whether changes or increases in coverage are needed.

ARCIL Response: We have an insurance broker reviewing our existing liability, D&O, contents, workers' compensation, and medical coverage. In addition, the broker is preparing a quote for a \$1 million umbrella liability policy. We should have the results of the review this week.

V. FINDINGS AND CORRECTIVE ACTIONS

RSA identified two compliance findings listed below. Within 30 days of receipt of the final report, ARCIL must submit a corrective action plan (CAP) to RSA for review and approval. The CAP must include: (1) the specific corrective actions that the centers will undertake in response to each finding; (2) the methodology that the centers will utilize to evaluate if each corrective action has been effective; and (3) the timetable for the implementation and evaluation of the corrective action. RSA's technical assistance provider, the Independent Living Research Utilization program (ILRU), is available to assist the centers in the development and implementation of the CAP.

RSA reserves the right to pursue enforcement action related to these findings as it deems appropriate as authorized in accordance with 34 CFR 74.14 and 34 CFR 366.39. Such enforcement actions may include special conditions such as draw down restrictions, funds withholding, or grant terminations.

Finding 1: Three-Year Plan

Legal Requirement: Section 725(c)(4) of the act; 34 CFR 366.50(d)

366.50 - What assurances shall a center provide and comply with...

(d) The applicant will establish clear priorities through

(1) Annual and three-year program and financial planning objectives for the center, including overall goals or a mission for the center;

(2) A work plan for achieving the goals or mission, specific objectives, service priorities, and types of services to be provided; and

(3) A description that demonstrates how the proposed activities of the applicant are consistent with the most recent three-year State plan under section 704 of the Act;

Facts and Analysis: ARCIL does not have a plan that covers annual and three year program and financial planning objectives.

Finding: ARCIL is not in compliance with Section 725(c)(4) of the Rehabilitation Act and 34 CFR 366.50(d) because it does not have a plan which covers annual and three-year program and financial planning objectives.

Corrective Action: Within 90 days of receipt of a final report ARCIL must develop and approve a plan that covers annual and three year program and financial planning objectives as described in Section 725(c)(4) of the act; 34 CFR 366.50(d).

ARCIL Response: Ability Resources will develop and approve a plan that covers annual and 3 year program and financial planning objectives within 90 days of receipt of the Rehabilitation Services Administration's final report. Staff met December 12, 2012, with a facilitator to prepare for our new 2013-2016 Strategic Plan.

Finding 2: Policies Regarding Prohibition Lobbying

Legal Requirement: EDGAR 34 CFR 82.100; OMB Circular A-122, Attachment B, Item 25

82.100 - Conditions on use of funds.

(a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or

cooperative agreement.

(b) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a certification, set forth in appendix A, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.

(c) Each person who requests or receives from an agency a Federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form, set forth in appendix B, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.

(d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement, set forth in appendix A, whether that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

(e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form, set forth in appendix B, if that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

Facts and Analysis: The review of policies and procedures as well as follow up interviews with the Executive Director indicated that ARCIL does not have a policy prohibiting the use of federal funds in lobbying activities.

Finding: ARCIL is not in compliance with EDGAR 34 CFR 82.100 and OMB Circular A-122, Attachment B, Item 25 because it does not have a policy actively prohibiting the funding of lobbying activities by federal funds.

Corrective Action: ARCIL must develop and implement a policy prohibiting the use of federal funds to support lobbying activities per EDGAR 34 CFR 82.100; OMB Circular A-122.

ARCIL Response: Although Ability Resources has always adhered to the prohibition against using Federal funds for lobbying, the policy was not a part of our Personnel Policies. The policy was drafted October 22, 2012, and will be voted on at the January 23, 2013, Board Meeting. The policy is enclosed with this letter. Following Board approval of the policy, management will give employees a copy of the change and go over the policy with them. Employees will sign a copy of the policy acknowledging that they have been informed of the policy. An annual acknowledgement of the policy will be signed at the beginning of each fiscal year.

